

16 FEB 1983

MEMORANDUM FOR: Director of Central Intelligence

THROUGH: Deputy Director of Central Intelligence  
Executive Director

FROM:  25X1  
Acting Director of Personnel

SUBJECT: Study of Proposed Retirement Changes

1. Action Requested: That after reviewing the attachments you approve the recommendations in paragraph three of this memorandum.

2. Background:

a. We have previously informed you of two retirement reform efforts underway which we believe pose a potentially serious threat, both currently and prospectively, to the Agency's ability to fulfill its mission. As we noted earlier, the retirement proposals impact on approximately 80 percent of Agency personnel covered by the Civil Service Retirement Act (CSRA); approximately 20 percent are in the Agency special retirement system, the CIA Retirement and Disability System (CIARDS).

b. At Attachment 1 is a brief statement of the impact of Social Security reform and federal retirement proposals on the CIA. At Attachment 2 is a more detailed review of the serious issues created by these reform efforts for the Agency.

c. Legislation is already under consideration by the Congress on the Social Security reform so that there is some urgency attached to our recommendation on this item. The Office of Management and Budget is in the process of drafting the changes to the Civil Service Retirement Act. Thus, it is important that an expression of concern by the Director to the President be made now.

3. Recommendations: Because of the several concerns discussed in the attachments, we strongly urge that the Director take the action recommended below. It is recommended that:

UNCLASSIFIED WHEN SEPARATED  
FROM SECRET ATTACHMENTS



25X1

S E C R E T

a. The DCI obtain the President's approval and commitment for an Administration initiative aimed at securing outright exemption for CIA from the Social Security Reform Act and preservation of CIARDS.

b. The DCI report to the President that the proposed age and penalty changes to the Civil Service Retirement Act present serious management concerns.

c. Because of these concerns, that the DCI request the President to instruct OMB to exempt CIA from the proposed age and penalty amendments.

d. The DCI request the President to instruct the Director, Office of Management and Budget to take no action to amend CIARDS.



25X1

Attachments

CONCUR:

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date

APPROVED:

\_\_\_\_\_  
Director of Central Intelligence

\_\_\_\_\_  
Date

Distribution:

Orig. - Return to AD/Pers

1 - ER

1 - OGC

1 - Comptroller

1 - C/HB/LLD

1 - AD/Pers

1 - DD/OP/SP

AD/Pers sla/16 Feb. 83

25X1

25X1